

ADMINISTRATIVE INTERNAL USE ONLY

18 July 1978

MEMORANDUM FOR: Chief, DDO/Personnel Management Group
SUBJECT : DDO Promotion Panel System

Tom,

Re our discussion last week, forwarded herewith for your information is a copy of the current OP criteria for evaluation ranking exercises . . . this is being reworked by a Task Force but the changes are not yet validated. Once the value list is developed, other criteria such as time in grade, position occupied, et al is applied to develop a promotion ranking/selection list.

Also attached is a copy of a draft evaluation criteria proposed for use by DDA for the senior secretarial panel. This is a preliminary list of items and will require some refinement . . . and reduction; however, it will give you another view of an evaluation point system. [] is the officer in NFAC knowledgeable of their value evaluation/promotion ranking system.

Not sure in our discussions that I made clear my basic concern with a point system such as you have proposed for promotion selection. In any system, I believe, care must be taken to ensure it is not so rigidly structured that the Panel or Board has no discretion for including or excluding certain individuals who for valid reasons or criteria should or who should not be promoted (regardless, as in your system, of the point accumulation).

Referring to my proposal that consideration be given to decentralizing promotion recommendations for the more junior grades back to the Divisions, the matter of the CSGA apparently posed problems for several people. Prior to the Panel system, however, the DDO operated on a decentralized promotion system, with a CSPA (now CMG) melding of the recommendations into the available headroom. There is no reason the same process could not be implemented again unless DDO wanted to allocate the headroom for these grades to Divisions and Staffs. A decentralized system for the lower grades

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would certainly be more cost effective by reducing the significant expense in time and money of the Panel system as operated in DDO.

In FY 75 our Plans Staff made an informal study of the cost effectiveness of personnel administration in the Agency. The figures for DDO's Panel 1974 panel activities, on the basis of 20 Panels per year, worked out to approximately \$60.00 per employee evaluated. One Panel averaged \$350 per employee (unfortunately our backup notes were destroyed so we can't identify the specific one). It obviously would be one, however, with large membership and block of time in relation to a small number of employees being evaluated. Your recent report on Panels for the DCI, e.g., 61 Panels and 57 1/2 weeks--would indicate the costs are remaining relatively high.

[Redacted Signature]

Chief, Review Staff, OP

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Att.

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12 July 1978

MEMORANDUM FOR THE RECORD

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SUBJECT: Meeting with [] DDO/CMG, on Subject of Alterations of DDO's Panel System for Promotion

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1. I met with [] on 11 July to discuss his original paper and my comments on proposed alterations to the DDO promotion panel system.

2. He likes his point system and has applied it to some of the GS-15 promotions. Found the same people came out in upper level with both systems, but the numbers approach took in some lower level employees who were not in the original list . . . therefore he likes it. I pointed out that a number system would impose a rigid framework and any adjustments, to include or exclude individuals who by numbers accident did or did not get onto the list would be impossible without charges of diddling.

3. Explained the concept of a value ranking which he had problems understanding. Even with concrete examples, he continued to see a value and a promotion ranking as the same thing . . . and totally unable to understand how a panel can apply promotion criteria which allows for dipping down into the center mass of employees. He will think on it.

4. The problem of the "new boy" panel each time was discussed in depth. When I proposed a chairman or member serving two or three years to provide continuity including an understanding of the application of the criteria, he said the DDO precepts required whole new membership each time. I pointed out DDO wrote the precepts and certainly could change them . . . particularly for improvement.

5. In response to a comment that the panel system is expensive and time consuming I suggested they consider decentralizing promotions up through GS-11 back to the Divisions. He again said the precepts didn't allow for it, but I again pointed out DDO could change them. He then proposed GS-12 as the cut off grade, and appeared to give some thought to the whole idea. This would considerably reduce the panel work load. If there is concern the privilege would be abused, the Division Chiefs would be held responsible for the promotion decisions and censured when

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a history of bad decisions develop. (The matter of the CSGA seems to be a gagging item for some CMGers . . . however, it worked before the panel system and I see no reason why it couldn't be worked out today.)

6. I promised to send Tom copies of OP criteria as well as a few other examples we have around.



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19 June 1978

MEMORANDUM FOR: Deputy Director of Personnel
FROM: [REDACTED]
Chief, Review Staff, OP
SUBJECT: Proposal to Alter DDO Promotion System
REFERENCE: Memo for D/Pers fr C/PMG/DDO dtd 1 Jun 78,
same subject

1. Subject reference and attached draft have been reviewed and we have problems with several areas. We believe it would be very helpful for us to sit down with [REDACTED] and discuss many of the points in more detail than feasible in a paper like this.

2. In the interim, however, there are several general comments.

a. We recommend no changes in the DDO promotion system be made until more definitive guidelines for the Uniform Promotion System announced in [REDACTED] are established. Basic to the new approach of creating headroom if necessary to achieve target promotions, is a requirement to rank employees for overall value, not just for promotion at any one point in time. The present DDO system, and the proposed alterations, still emphasize the single ranking as a promotion selection list, albeit it is also used to identify the low percentile.

While we presently lean to a sequentially numbered value ranking list, from which the promotion ranking list would be developed by adding in the various criteria (such as time in grade, position occupied, et al), a numbered ranking within the descriptor categories may serve the same purpose. This is to be decided. In any event, there appears to be a need for two lists, one overall value ranking and one recommended promotion list. We believe a "set aside" list to protect the newly promoted employee would create more misperceptions on the part of the employee public.

b. The proposal to establish a selection process based on a point system gives us considerable concern. Such a selection process tends to lock the system into a box and limits alternatives necessary to

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(1) Components could be asked to submit a single memorandum explaining the ranking sequence of the promotion recommendations, e.g., the particular quality or item of performance for each nominee, within the overall worthy levels, which supports the number sequence. It would be a brief explanation or justification for each ranking, spotting or highlighting the reason for the selection, pinpointing the specifics. Time in grade for the average, but sound performer could be an acceptable reason for the lower numbers in the ranking and could be a contributing factor for some person higher on the list.

(2) Recognizing that the overall quality of personnel in one component is not always comparable to the employees in another, it is understandable that the number one person of one ranking may be near the bottom, if included at all, in the Career Service consolidated promotion list. However, when the sequence of a component's ranking is overturned, we believe this should be a matter of concern to the panel and to the component, and there should be a meeting to discuss what each one sees or does not see in the concerned individual's performance and/or behavior. This process would serve to bring panel and component criteria and concerns into focus for each other.

X1A d. We do not agree with the necessity for an ability to spot promote. The new promotion system with common promotion dates may mitigate against it anyway, but more importantly, we believe the award system provided Special Achievement Award, is a more appropriate reward. This provides for a one time cash award. Our history is rife with individuals promoted beyond their capability as the result of promotion for one exceptional performance. The award we feel is the better management approach. For the individual who produces the consistent exceptional performance, waiver of time in grade at time of regular promotion review is a more appropriate way than spot promotion.

We agree to another point in the paper that time in grade for each grade should be established, but recommend allowance for waivers. We would recommend against publishing time in grade as a part of the standard precepts, making them in a sense, inviolable. Publishing time in grade criteria at the beginning of the promotion year or with the precepts as each Panel is convened provides more flexibility to adjust to available headroom without perceptions by employees that criteria is being diddled again.



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1 June 1978

MEMORANDUM FOR: Director of Personnel

FROM :
Chief, Personnel Management/DO

SUBJECT : Proposal to Alter Promotion System

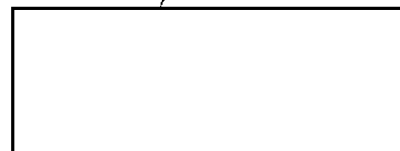
1. In response to several component chiefs' criticism that our present promotion system over-emphasized the findings of a single panel and left out of consideration other vital information bearing on the individual's performance, I am submitting the attached draft for your consideration.

2. The attached represents a refinement over a first draft which was circulated to all component chiefs and to DDO/MAG on 9 May. The component chiefs' replies reflected a general, even enthusiastic, agreement that the panel system requires revision. All but one concurred with the principles of the attached. As you will see, I propose to retain panel rankings as a vital and most important single factor for promotion under my proposed reforms. The great difference between current practice and the proposed methodology is to give weight to previous panel findings and to component rankings.

3. The DDO has concurred with the attached in principle on 31 May, and asked that I send it to you for additional coordination and comments.

4. I would be very happy to discuss the concepts of the attached draft with you at your convenience.

Attachment



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D R A F T

1. Background. In a memorandum dated 1 May 1978 to Chief, Personnel Management Group, ^{the DDO} ~~was~~ expressed ~~was~~ his desires as follows:

"I think we should establish guidelines for the panels concerning time in grade which would permit the panels to set aside newly promoted personnel who otherwise would end up in the low rankings when compared to more seasoned officers. However, I am anxious that panels look at personnel in all grades to identify exceptional employees who could be considered for promotion at that time even though they have not served 'sufficient time in grade' under the guidelines. In other words, I want to protect the majority of our personnel who are just promoted from receiving a low ranking, but yet have the flexibility to consider exceptional employees for promotion.

"Concur in the 20% top and bottom numerical rankings and grouping of all others according to high-middle, middle-middle and low-middle."

The issue was also discussed at the 3 May DDO staff meeting, when several component chiefs criticized the recent super-grade promotions because a number of officers were promoted with minimum time in grade while other deserving candidates, with more seniority, were overlooked. There was a consensus that our present promotion system over-emphasized the findings of a single panel.

2. Problem. Currently, promotions in the Operations Directorate are based solely on rankings by the most recent panel, subject to change of panel rankings by the DCI.

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-- 2 --

While the panel system of promotions is acknowledged to have muted the perennial accusations that promotions are based on cronyism or "who knows who," the system has surfaced other areas of difficulties including but not limited to the following:

- a. The panel system dilutes managerial responsibility.
- b. Consecutive panel rankings are not necessarily consistent. An officer who may have just missed promotion because of lack of headroom one year, may find that the next panel's ranking placed him or her out of promotion range, even though no substantive change in performance occurred. In sum, too much depends on a single panel's ranking.
- c. The current system does not allow for input by the components, even though the components presumably know their own people better than is possible to evaluate them based on file review alone. Thus, currently, component ranking is an empty exercise.
- d. No allowance is made for time in grade, i.e., seniority.
- e. Senior management is deprived of an important managerial tool by not being able to reward through a spot promotion truly exceptional performance.

3. Proposed Solution. Devise a system which maintains competitive evaluation by panels as the principal element of the promotion process, while cranking in additional factors such as component rankings and time in grade. This could be achieved through a new cumulative ranking system similar in concept to the system adopted in 1977 for selection-out. Under such a system, point values would be assigned

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-- 3 --

under the various categories and those with the highest scores would be promoted. In case of ties, sequence of ranking by the most recent panel would decide the order of promotion eligibility.

4. Recommended Methodology

a. Those not eligible for promotion because of lack of sufficient time in grade would not be ranked. Their files, however, will be reviewed for indications of truly exceptional performance which would warrant spot promotion (see paragraph 6 below). Time in grade requirements will be established for all levels and included in the written precepts available to all personnel.

b. Supergrades to be ranked in numerical order within grade.

c. All other grades: top 20% (and bottom 20%) ranked in numerical order; all others to be grouped according to high-middle, middle-middle and low-middle.

d. Accumulate points as follows:

| | | |
|---|-------------|----|
| (1) Top Ranked 5% by Panel | Point Value | 50 |
| Next 5% | | 45 |
| Next 5% | | 35 |
| Next 5% | | 30 |
| (2) Two previous panel rankings: | | |
| Recommended for promotion by panel, but no headroom | | 25 |
| <u>or</u> Upper 20% | | 20 |
| <u>or</u> High-Middle | | 15 |
| (Points per each of last two years) | | |

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-- 4 --

(3) Component Ranking

| | |
|---|----|
| Ranked 1st by component | 40 |
| Runner-up | 36 |
| 3rd (if more than 5 listed) | 32 |
| 4th (if more than 7 listed) | 28 |
| 5th (if more than 8 listed) | 24 |
| 6th (if more than 10 listed) | 20 |
| 7th (if more than 10 listed) | 18 |
| 8th (if more than 12 listed) | 15 |
| Others recommended by component, but not more than 50% of total submitted | 10 |

(Explanation: This would force the components to meet their responsibility for ranking their personnel and make such rankings a meaningful, not merely paper, exercise. It would also help all managers to come to grips with the problem represented by inflated and basically similar fitness reports. The reason for the point spread is to provide equal opportunity for the top-ranked people from all components, while also giving a chance to personnel coming from the larger area divisions.)

- (4) Time in grade -- 2 points for each year, but not to exceed 20
- (5) Bottom 5% on previous panel ranking minus 30

5. Previous panel rankings and component rankings will not be made available to the current panel which will base its deliberations on the personnel and/or component soft file, as is now the case. (While it has been suggested that the panels should also consider component ranking, it is considered preferable to shield the panels from any influences which might affect their objectivity in the file review.)

6. Upon receipt of latest panel ranking, CMS will prepare score cards for all individuals ranked for promotion by current panel, for those in upper 20% in current listing for whom no headroom exists and for those in upper 20% of previous panel but not promoted for lack of headroom. Those ranking highest according to the cumulative score will be on the promotion list being submitted to the DDO or the DCI,

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-- 5 --

as appropriate.

7. At each grade level up to and including GS-15, 5% of the available headroom will be reserved for spot promotions in recognition of truly exceptional service including but not necessarily limited to a major breakthrough in intelligence coverage, outstanding recruitment or act of heroism. The unused balance of such reserved headroom space would be used to increase the overall headroom on the next promotion round.

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Proposal to Alter Promotion System

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FROM:

EXTENSION

NO.

Chief, PMG

3C43

DATE

1 June 1978

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TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. ~~Director of Personnel~~

2 JUN 1978

[Handwritten initials]

2. ~~DD Personnel~~

5 JUN 1978

[Handwritten initials]

3. ~~DD Personnel~~

5 JUN 1978

[Handwritten initials]

4.

5.

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12.

13.

14.

15.

2. I personally have two comments:
 (a) They are constructing an elaborately detailed system which will eliminate flexibility. This could be avoided by simply stating that 1 or more previous evaluations would be factored in.
 (b) para 7 - goes back to the old Boy Net Syndrome

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